



REMI GROUP

REMI EDELSTAHL TUBULARS LIMITED



Stainless Steel Welded and Seamless Pipes & Tubes



**Wind Power
Promoting Green Energy**

**42nd Annual Report
2012-2013**

Board of Directors

Shri Vishwambhar C. Saraf	Chairman
Shri Rajendra C. Saraf	
Shri Kamal Kumar Dujodwala	
Shri Rishabh R. Saraf	Managing Director
Shri Ritvik V. Saraf	
Shri Shankar Lal Jain	
Shri Gopikishan Biyani	
Shri Sandeep Shriya	

Bankers

STATE BANK OF INDIA

Auditors

M/s. Sundarlal, Desai & Kanodia
Chartered Accountants
903, Arcadia, 195, N.C.P.A. Road,
Mumbai- 400 021

Registered Office

REMI HOUSE
Plot No.11, Cama Industrial Estate,
Goregaon (East),
Mumbai – 400 063

Works

- (1) Plot No. N-211/1
M.I.D.C.
Tarapur, Maharashtra
- (2) Village Brahmanwel,
Taluka Sakri,
District Dhule, Maharashtra

NOTICE

To
The Members,
REMI EDELSTAHL TUBULARS LIMITED

NOTICE is hereby given that the 42nd Annual General Meeting of the Company will be held at the Company's Registered Office, Remi House, Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai – 400 063, on **Monday the 30th September, 2013** at 11.30 A.M. to transact the following business:

1. To consider the audited Balance Sheet as at, and the Statement of Profit and Loss for the year ended, 31st March, 2013.
2. To re-appoint as Director Shri Gopikishan Biyani, who retires by rotation.
3. To re-appoint as Director Shri Shankar Lal Jain, who retires by rotation.
4. To re-appoint as Director Shri Sandeep R. Shriya, who retires by rotation.
5. To appoint Auditors and to fix their remuneration.
6. To pass the following special resolution:

“RESOLVED THAT Shri Rishabh R. Saraf be and is hereby re-appointed as the Managing Director of the Company, for a further term of 3 years from the 1st April, 2013, to manage the affairs of the Company, on the following terms and conditions:

- a) A monthly salary of Rs.1,95,000/-
- b) Free furnished residential accommodation.
- c) Reimbursement of actual medical expenses incurred for self and family.
- d) Leave Travel Concession for self and family once a year, in accordance with the rules of the Company.
- e) Annual fees to not more than two clubs.
- f) Free use of one or more Company's Car with driver for official purpose only.
- g) Telephone at residence and Mobile phone for official purpose only.
- h) Company's contribution to Provident Fund as per the rules of the Company.
- i) Gratuity as per the rules of the Company.
- j) Encashment of Leave at the end of the tenure.”

For **REMI EDELSTAHL TUBULARS LIMITED**

Sd/-

Place :Mumbai
Dated : 13th August, 2013

(RISHABH R.SARAF)
MANAGING DIRECTOR

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING WILL BE ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from **Friday, the 20th September, 2013 to Friday, the 27th September, 2013**, both days inclusive.
3. **Green initiative in Corporate Governance:**
The Ministry of Corporate Affairs vide its circular bearing No.17/2011 dated 21/04/2011 and 18/2011 dated 29/04/2011 has taken a “**Green Initiative in Corporate Governance**” by allowing paperless compliances by Companies through electronic mode. Companies can now send various notices/ documents to their shareholders through electronic mode to the registered e-mail addresses of the shareholders.

In this regard please register your email address and changes therein from time to time with the Company/Registrar and Transfer Agent or with the concerned depositories.

4. An Explanatory Statement relating to the item of special business set out in item No. 6 accompanies.

EXPLANATORY STATEMENT – ANNEXURE TO THE NOTICE**Item No. 6:**

Shri Rishabh R. Saraf has been the Managing Director of the Company from the 1st April, 2010 to 31st March, 2013. He is being re-appointed for another term.

His remuneration package has been fixed as per Schedule XIII, Part II (B) of the Companies Act, 1956 and hence, the following information is to be given herein:

- (i) The Remuneration Committee of Directors had approved of this remuneration.
- (ii) The Company has not made any default in repayment of its debts.
- (iii) Your approval is sought to be obtained by a Special Resolution.
- (iv) Attached hereto is a statement containing the following information:-

I. General Information:

- (1) Nature of Industry : Manufacture of Seamless Tubes & Pipes and Generation of Wind Energy.
- (2) Commencement of commercial production : 1970
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not a new Company
- (4) Financial performance : The Company has a turnover of Rs.16192.61 Lacs and net profit of Rs.188.33 Lacs, for the financial year ended 31st March, 2013.
- (5) Export performance : Export earning Rs.2678.95 Lacs.
- (6) Foreign investments or collaborations : None

II. Information about the Appointee:

- (1) The appointee hails from a family of business people of fifty years' standing. After his college education here, he obtained a Bachelor's degree in Business Management from the University of Nottingham in England. After his return, he joined his family business and has received from his elders in the family very good training in business management.
- (2) Past remuneration : Rs.1.95 Lacs per month plus perquisites
- (3) Recognition or awards :-
- (4) Job profile and his suitability : He is in full charge of production, sales, export, finance and other administrative matters. After his training and experience during these 11 years, he has become the right person for managing the affairs of the Company.
- (5) Remuneration Proposed : As set out in the Special Resolution.
- (6) Comparative Remuneration profile : In similar Companies, this package is the norm.
- (7) Pecuniary relationship : He has a good financial stake in the Company by way of holding 204846 equity shares, 2.14% of the paid up capital. His father and the latter's brother are Directors of this Company.

III. Other information: Not Applicable**IV. Disclosure:**

- 1) Remuneration Package: Set out in the Special Resolution
- 2) Report under the heading 'Corporate Governance' in Directors' Report
 - (i) Salary etc. of all other Directors : done
 - (ii), (iii) and (iv) : Not Applicable.

Shri Rishabh R. Saraf and his father Shri R. C. Saraf are deemed to be interested in this item of business.

Your Directors commend the resolution for your approval.

DIRECTORS' REPORT

To
The Members
REMI EDELSTAHL TUBULARS LIMITED

Your Directors have immense pleasure in presenting the 42nd Annual Report and Audited Statements of Accounts of the Company for the year ended 31st March, 2013.

PERFORMANCE REVIEW:

The performance for the financial year ended 31st March, 2013 is summarized below:-

(₹ in Lacs)

	2012 - 2013	2011 - 2012
Gross Turnover	17743.00	19731.68
Profit before Finance Cost, Depreciation and Tax (EBIDTA)	1199.50	1266.18
Finance Cost	637.26	799.37
Depreciation	312.35	290.03
Taxation	61.56	48.76
	1011.17	1138.16
Profit for the period	188.33	128.02
Balance brought forward	1257.79	1179.77
	1446.12	1307.79
Appropriations		
Transfer to General Reserve	50.00	50.00
Net surplus in the Statement of Profit & Loss	1396.12	1257.79
	1446.12	1307.79

OPERATIONS:

The continuing drop in new investments coupled with unprecedented depreciation of the Indian currency against the US Dollar and high interest rate regime, has left the industrial scenario to be grim and poses to be challenging for the Company. Similarly the overseas markets continue to be sluggish. During the year, the Company has witnessed a drop of 10% in sales value and 9.62% in quantity, resulting in a reduction in EBIDTA by 5.21%. The management believes that in spite of the lower demand in short term resulting in lower production and profitability, the Company's products have a promising future in the long term.

The technology up-gradation initiated by the Company in first phase has been fully completed due to which the Company has bagged initial trial orders with key customers. However, there is still a need to further continue up-gradation in the current financial year. This up-gradation cost is estimated to be approx. Rs.11 Crores which would be financed by internal accruals and term loans. On completion of this up-gradation, your Company would be one of the few companies in India to offer complete power plant tubings from a single facility and in anticipation has initiated market development process for approval into the Nuclear industry.

The current order backlog is approx. Rs.70 Crores including trial orders from key users. The full benefit of the up-gradation/expansion will only be reflected subsequent to the execution of these trial orders during the current year. However, the current financial year is expected to be a more challenging period owing to the uncertainties, economic slowdown, market development etc.

DIRECTORS:

Under Article 64 of the Articles of Association of the Company, Shri Gopikishan Biyani, Shri Shankar Lal Jain and Shri Sandeep R. Shriya, retire by rotation and are to be re-appointed.

AUDITORS:

The Auditors M/s. Sundarlal, Desai & Kanodia, Chartered Accountants, are to be re-appointed. They have expressed their willingness to accept the re-appointment. In terms of Section 224A of the Companies Act, 1956, their re-appointment needs to be made by the members and their remuneration has to be fixed.

COST AUDITORS AND COST AUDIT REPORT:

Pursuant to the directives of the Central Government under the provisions of Section 233B of the Companies Act, 1956, qualified Auditors, Messrs. Kejriwal & Associates, Cost Accountants, have been appointed to conduct cost audits relating to the products manufactured by the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

The Company has received again an energy conservation appreciation, third year in a row, given in the Steel Re-Rolling Section from Ministry of Power, Govt. of India.

The Company does not have any foreign collaboration for manufacturing. The Company is continuously modernizing its production and testing machineries and equipments.

The Company pursued certification for ISO 14001 & ISO 18001 in addition to existing ISO 9001 Certificate, now a combination of all of them in one as IMS - Integrated Management system.

Additionally, it already has API 5LC (American Petroleum Institute), PED 97/23 CE (Pressure Equipment Directive, CE Mark, for exports European Union Countries) and AD2000-Merkblatt W0 required for exports to Germany. It has also received EIL Enhancement cum revalidation certificate valid thru Dec 2015.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Earnings	₹2678.95 Lacs (including deemed exports & supplies to SEZ & EOU of ₹1822.14 Lacs)
Outgo	₹5163.90 Lacs

PARTICULARS OF EMPLOYEES:

No employee of the Company was in receipt of remuneration equal to or exceeding the prescribed limits.

UNPAID DIVIDEND:

The unpaid dividend relating to the financial year ended 31st March, 2006, will be transferred to Investor Education and Protection Fund, within prescribed time limit.

DIRECTORS' RESPONSIBILITY STATEMENT:

On the basis of compliance certificates received from the concerned executives of the respective Divisions of the Company and subject to disclosures in the annual accounts, as also on the basis of the discussion with the Auditors of the Company from time to time, the Directors state that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and with proper explanation provided relating to material departures, if any;
- the Directors have followed appropriate accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, if any; and
- the Directors have prepared the annual accounts on a going concern basis.

APPRECIATION:

The Board places on record its deep appreciation of the devoted services of the loyal workers, executives and other staff of the Company, who have contributed in no small measure to the performance and the Company's continued inherent strength. It also extends its grateful thanks to the Central and various State Governments, the investors, the banking circles, financial institutions and district level authorities for their continued support extended to the Company from time to time. Shareholders' appreciation of the managements' efforts expressed at the general meetings of the Company and otherwise, is a grate fillip to strive for better performance year after year.

Registered Office:

REMI House, Plot No.11,
Cama Industrial Estate,
Goregaon (East),
Mumbai - 400 063

Dated: 13th August, 2013

ON BEHALF OF THE BOARD

Sd/-

VISHWAMBHAR C. SARAF
CHAIRMAN

MANAGEMENT DISCUSSION AND ANALYSIS:

(a) Industry Structure and Development:

The Stainless steel tube and pipe industry can be classified in the organized sector, in which the Company operates has witnessed a sharp growth in capacity over the past few years. The growth in the product markets have shifted from the traditional focus on oil and petrochemical sector to the power sector. This shift stands to become more prominent in the next few years as the installation of nuclear power plants becomes more critical for the growth of the economy. There has been a revival in demand in the Fertilizer sector owing to the governments focus on increasing the agricultural produce.

(b) Opportunities and Threats:

The growth in the power (both thermal & nuclear)/ fertilizer/ oil and petroleum sector offer opportunities for the Company's products. However, the pricing volatility of key raw material ingredients (such as nickel) can affect demand and usage patterns of user industry as well as affect the viability of major project investments. Apart from this, installation of LNG terminals can have a substantial contribution in the usage of stainless steel tubular products. The threat of dumping of secondary quality products and imposition of antidumping duties by the government on major raw materials can have adverse effect on the demand. The effect of Nuclear disaster in Japan can have an impact on the global view of operating and constructing nuclear power plants which can delay the growth plans of the Company.

(c) Outlook:

The management firmly believes that the Stainless Steel Tubular industry has strong fundamentals and views that this is an essential product required during the further industrialization of the country. Its expansion programme which is catered to meeting the demand for value added products is going to give the Company a chance to participate in the specialized markets which are currently dominated with few manufacturers. The approvals received from users abroad will help in redevelopment of an export market which is currently negligible in the Company's portfolio.

(d) Risk and Concerns:

The uncertainty in the international and domestic markets may affect demand. It may also have a further impact on the Indian Rupee, which would make imports more expensive. The Company, however, is taking suitable steps to ensure protection of its margins as and when required. The high rate of interest and lower monsoons may continue to dampen the investment scenario in India.

(e) Internal Control Systems and their adequacy:

The Company has adequate internal control systems in technical and financial fields.

(f) Financial Performance:

The Financial Performance of the Company was under pressure during the year due to slow down in Indian economy in general and capital goods industry in particular.

(g) Human Resources/ Industrial Relations:

The Company has maintained good industrial relations and is continuously adding to the human resources of the Company.

(h) Cautionary Statement:

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or productions may be "forward looking statements" within the meaning of applicable securities laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting global and domestic demand and supply, finished goods prices in the domestic and overseas markets in which the Company operates, raw-materials cost and availability, changes in Government regulations, tax regimes, economic developments within or outside India and other factors such as litigation and industrial relations. The Company assumes no responsibility to publicly amend, modify or revive any forward looking statements on the basis of any subsequent developments, information or events.

CORPORATE GOVERNANCE

1. COMPANY'S BASIC PHILOSOPHY:

The Company's philosophy is to undertake its business with integrity, fairness, transparency and accountability and to ensure that adequate internal control systems are devised and put in

place so that the interests of shareholders, employees, suppliers and those associated with the company are protected.

2. BOARD OF DIRECTORS:

During the year, the Board of Directors met 4 (Four) times on 30/05/2012, 14/08/2012, 10/11/2012 and 14/02/2013.

COMPOSITION AND CATEGORY OF DIRECTORS

Name of Director	Category	Attendance Particulars		Other Boards		
		Annual General Meeting	Board Meetings	Directorship	Committee Chairmanship	Committee Membership
Mr. V.C. Saraf	Promoter	No	4	3	1	1
Mr. K.K. Dujodwala	Independent Non-Executive	No	4	6	-	-
Mr. R.C. Saraf	Promoter	Yes	4	4	-	3
Mr. R.R. Saraf	Promoter Executive	Yes	4	3	-	-
Mr. R.V. Saraf	Promoter Non-Executive	Yes	3	3	-	-
Mr. S.L. Jain	Independent Non-Executive	No	4	1	-	-
Mr. G. Biyani	Independent Non-Executive	No	2	7	-	-
Mr. Sandeep Shriya	Independent Non-Executive	No	2	3	-	-

3. AUDIT COMMITTEE:

The Audit Committee has two qualified, independent and non-executive directors and provides assistance to the Board of Directors in fulfilling its responsibilities.

The functions of the audit committee include:

- Overseeing of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Discussing the adequacy of internal control systems, the scope of audit, internal audit reports and the compliance thereof.
- Recommending the fixation of the audit fee and also approval for payment for any other services of the Auditors.
- Reviewing with management the quarterly and annual financial statements, before submission to the Board.

Attendance of the members at the Audit Committee Meetings held during 2012-13.

Committee Members	Designation	No. of Meetings	
		Held	Attended
Mr. S.L. Jain	Chairman	4	4
Mr. K.K. Dujodwala	Member	4	4
Mr. R.C. Saraf	Member	4	4

4. SHAREHOLDERS/INVESTORS GRIEVANCES COMMITTEE

The Members of the Committee comprise of Shri V. C. Saraf and Shri R. C. Saraf. Shri V. C. Saraf is the Chairman of the Committee.

The Company had received only 3 complaints during the year 2012-2013. All the complaints had been disposed off. There are no Shareholders' complaints pending.

5. GENERAL BODY MEETINGS

The last 3 Annual General Meetings of the Company were held as under:

Date	Venue	Time	No. of special resolutions
30/9/2010	Remi House, Plot No.11, Cama Industrial Estate, Goregaon (E), Mumbai – 400 063.	11.30 A.M.	One
30/9/2011	- do -	- do -	-
29/9/2012	- do -	- do -	One

6. POSTAL BALLOT:

During the last year, no resolution was passed through Postal Ballot and no resolution is proposed to be passed through Postal Ballot.

7. DISCLOSURES:

Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large	: Transactions with related parties are disclosed in Note No 1.7 to the accounts. These transactions are not in conflict with the interests of the Company
Details of non-compliances by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.	: Nil
Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this clause.	: The Company has complied with all mandatory requirements of Clause 49 of Listing Agreement.

8. REMUNERATION TO DIRECTORS:

(₹ in Lacs)

Name & Designation	Salary	Commission	Sitting fees
R. R. Saraf - Managing Director	30.32	-	-
V. C. Saraf - Chairman	-	0.30	0.09
R. C. Saraf	-	-	0.12
K. K. Dujodwala	-	-	0.13
S. L. Jain	-	-	0.13
G. Biyani	-	-	0.09
R. V. Saraf	-	-	0.09
S. Shriya	-	-	0.05

9. BRIEF DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT:

Shri Gopikishan Biyani, Shri Shankar Lal Jain and Shri Sandeep R. Shriya, Directors, who are retiring by rotation, are to be re-appointed. The brief resume of these Directors is given herebelow:

- i) Shri Gopikishan Biyani is a business man of long standing and he also will be of assistance to the other Directors and the Company.
- ii) Shri Shankar Lal Jain is a Chartered Accountant in Whole-Time Practice and is a tax consultant of repute. His association with the Company will be of benefit to it and to its Directors.
- iii) Shri Sandeep Shriya is a commerce graduate of Bombay University. He joined his family business - Transportation and Trading in steel - since 25 years. Entering into new line of business - calcination of limestone and dolomite.

10. MEANS OF COMMUNICATION:

The Company regularly intimates its financial results to the Bombay Stock Exchange Limited as soon as the same are approved and taken on record. These financial results are published in The Free Press Journal and Navshakti.

11. GENERAL SHAREHOLDER INFORMATION:

The 42nd Annual General Meeting of the Company will be held on Monday the 30th September, 2013, at its Registered Office, Remi House, Plot No. 11, Cama Industrial Estate, Goregaon (East), Mumbai – 400 063 at 11.30 A.M.

Financial year of the Company is from 1st April, 2012 to 31st March, 2013.

The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 20th September, 2013 to Friday, the 27th September, 2013, both days inclusive.

Listing on Stock Exchange:

Name of the Stock Exchange	Stock Code
Bombay Stock Exchange Limited	513043

Market Price Data

Month	High Price(₹)	Low Price(₹)
April - 2012	16.00	13.40
May - 2012	17.25	12.15
June - 2012	16.00	12.45
July - 2012	16.26	11.26
August - 2012	13.17	11.00
September - 2012	14.00	11.00
October - 2012	13.85	10.50
November - 2012	15.87	13.31
December - 2012	18.45	15.60
January - 2013	20.55	18.35
February - 2013	21.20	19.40
March - 2013	20.75	17.75

Registrar and Transfer Agents:

Bigshare Services Private Limited

E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka,
Andheri (East), Mumbai - 400 072
Tel: 22 28470652/ 40430200 / 28470653, Fax: 22 28475207
E-mail: investor@bigshareonline.com
Website: www.bigshareonline.com

Share Transfer System:

The transfers received by the Company or Registrar and Transfer agent in physical form are processed and Share Certificates are dispatched.

Distribution of Shares:

Distribution of Shareholding as on 31st March, 2013.

Shareholding of Nominal (in Rs.)	No. of Share holders	% of Total	Share Amount (in Rs.)	% of total
Upto 5000	3,200	80.88	6,993,850	7.31
5001 – 10000	504	12.74	3,655,340	3.81
10001 – 20000	136	3.44	2,021,250	2.11
20001 – 30000	31	0.78	797,810	0.83
30001 – 40000	18	0.45	661,330	0.69
40001 – 50000	17	0.43	797,980	0.83
50001 – 100000	18	0.45	1,258,130	1.31
100001 & Above	33	0.83	79,638,310	83.11
TOTAL:	3,957	100.00	95,824,000	100.00

Categories of Shareholders as on 31st March, 2013

Category	No. of Holders	No. of Shares	% of total Share Holding
Individuals	3876	4541952	47.40
Companies	60	5015492	52.34
FII's, NRI's & OCB's	18	14956	0.16
Mutual Funds, Banks & FIs	3	10000	0.10
TOTAL:	3957	9582400	100.00

Dematerialization of Shares:

As on 31st March, 2013, 8947970 equity shares constituting 93.38% have been dematerialized.

Plant Locations:

- The manufacturing facility of the Company is located at the Plot No. N – 211/1, M. I. D. C., Tarapur, Maharashtra.
- Wind Mills are located at Village Brahmanwel, Taluka Sakri, District Dhule, Maharashtra.

Address for Correspondence:

Registered & Corporate Office:	Registrar and Share Transfer Agent:
REMI HOUSE	Bigshare Services Private Limited
Plot No.11, Cama Industrial Estate,	E-2/3, Ansa Industrial Estate,
Goregaon (E) Mumbai - 400 063	Saki Vihar Road, Saki Naka,
Ph. No.022-4058 9888	Andheri (E), Mumbai - 400 072
Fax No.022-2685 2335	Ph. No.:022-2847 0652/ 4043 0200
Email: vsiyer@remigroup.com	Fax No.:022-2847 5207
rmi_igrd@remigroup.com	Email: investor@bigshareonline.com

ON BEHALF OF THE BOARD

Sd/-

Mumbai - 400 063
Dated: 13th August, 2013

**VISHWAMBHAR C. SARAF
CHAIRMAN**

CERTIFICATE OF CORPORATE GOVERNANCE

The Members,

REMI EDELSTAHL TUBULARS LIMITED

We have examined the compliance of conditions of Corporate Governance by **REMI EDELSTAHL TUBULARS LIMITED**, for the year ended on March 31, 2013 as stipulated in clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Limited, Mumbai.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the shareholders/Investors Grievance Committee of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of effectiveness with which the management has conducted the affairs of the Company.

For **SUNDARLAL, DESAI & KANODIA,**
CHARTERED ACCOUNTANTS,

Sd/-

PLACE : MUMBAI
DATED : 13th August, 2013

(M. B. DESAI)
PARTNER

AUDITORS' REPORT

To,
The Members of **Remi Edelstahl Tubulars Limited**.

Report on the financial statements

We have audited the accompanying financial statements of **Remi Edelstahl Tubulars Limited** (the company), which comprise the balance sheet as at 31st March, 2013, and the statement of profit and loss and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give

in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:
- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - The balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account.
 - In our opinion, the balance sheet, statement of profit and loss, and cash flow statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - On the basis of written representations received from the directors as on 31st March, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the balance sheet, of the state of affairs of the company as at 31st March, 2013;
- In the case of the statement of profit and loss, of the profit for the year ended on that date; and
- In the case of the cash flow statement, of the cash flows for the year ended on that date.

**For SUNDARLAL, DESAI AND KANODIA,
CHARTERED ACCOUNTANTS,
Registrarion No. 110560W**

Sd/-

PLACE : MUMBAI
DATED : 30th May, 2013

**(M. B. DESAI)
PARTNER**
Membership No. 33978

ANNEXURE TO THE AUDITORS' REPORT

[REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF
REMI EDELSTAHL TUBULARS LIMITED, AS AT 31ST MARCH 2013]

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to us, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. To the best of our knowledge, no material discrepancies were noticed on such verification.
- (c) The Company has not disposed off substantial part of fixed assets during the year.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any unsecured loans to Companies/Firm/Other Persons covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) According to the information and explanations given to us, the Company has taken unsecured loans from two companies covered in the register maintained under section 301 of the Companies Act, 1956. Amount involved during the year was ₹1,235 Lacs and closing balance was ₹ NIL.
- (c) In our opinion the rate of interest and other terms & conditions of unsecured loans taken by the Company are not prima facie prejudicial to the interest of the Company.
- (d) In our opinion payment of the principal amount and interest are also regular.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices except for items of specialized nature, where a question of comparison does not arise.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (ix) (a) According to the information and explanations provided to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom Duty, Excise Duty, cess and other material statutory dues as applicable to it with appropriate authorities and there were no undisputed arrears as at 31st March, 2013 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, the particulars of dues of Income tax, Wealth tax, Service tax, Sales tax, Customs Duty, Excise Duty and Cess as at 31st March, 2013, which have not been deposited on account of a dispute, are as follows: -

Sr. No	Name of the Statute	Nature of dues	Amount (₹)	From where dispute is pending
1.	The Central Sales Tax Act	CST Interest & Penalty	1,95,560/-	Dy. Comm. of Sales Tax (Appeals)
2.	The Central Excise Act, 1944	Central Excise duty & Penalty	2,07,23,712/-	Customs, Excise and Service Tax Appellate Tribunal
3.	The Income Tax Act, 1961	Income Tax	19,780/-	Commissioner of Income Tax (Appeal)
4.	The Customs Act	Interest & Penalty	33,00,507/-	Customs, Excise and Service Tax Appellate Tribunal (Appeal)

- (x) The Company does not have accumulated losses and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of

security by way of pledge of shares, debentures and other securities.

- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society and therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) In our opinion, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the Company.
- (xvi) According to the information and explanations given to us, the Company has applied the term loans for the purposes for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, there was no preferential allotment of shares to parties covered

in the register maintained under section 301 of the Act during the year.

- (xix) According to the information and explanations given to us, the Company has not issued any secured debentures during the period covered by our report. Accordingly, the provisions of clause (xix) of the order are not applicable to the Company.
- (xx) According to the information and explanations given to us, the Company has not raised any money by public issue during the year.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For SUNDARLAL, DESAI AND KANODIA,
CHARTERED ACCOUNTANTS,
Registrarion No. 110560W**

Sd/-

**(M. B. DESAI)
PARTNER**

PLACE : MUMBAI
DATED : 30th May, 2013

Membership Number. 33978

BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Notes	As at	AsAt
		31-03-2013	31-03-2012
(₹ in Lacs)			
I. SOURCES OF FUNDS			
(1) Shareholders' Funds			
(a) Share Capital	2	958.24	958.24
(b) Reserves and Surplus	3	3,708.32	3,519.99
		<u>4,666.56</u>	<u>4,478.23</u>
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	2,484.22	2,657.04
(b) Deferred Tax Liabilities (Net)		782.06	721.74
(c) Other Long term Liabilities	5	75.38	83.08
		<u>3,341.66</u>	<u>3,461.86</u>
(3) Current Liabilities			
(a) Short-Term Borrowings	6	2,691.67	3,486.48
(b) Trade Payables	7	1,774.31	1,402.22
(c) Other Current Liabilities	8	1,043.67	1,235.12
(d) Short-Term Provisions	9	8.22	3.62
		<u>5,517.87</u>	<u>6,127.44</u>
Total		<u>13,526.09</u>	<u>14,067.53</u>
II. ASSETS:			
(1) Non-Current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		5,161.85	4,293.75
(ii) Intangible Assets		5.83	9.14
(iii) Capital Work-in-Progress		–	542.38
(b) Non-Current Investments	11	5.82	5.82
(c) Long Term Loans and Advances	12	235.79	168.45
		<u>5,409.29</u>	<u>5,019.54</u>
(2) Current Assets			
(a) Inventories	13	4,334.35	3,614.60
(b) Trade Receivables	14	2,630.41	4,213.74
(c) Cash and Cash Equivalents	15	174.66	238.64
(d) Short-term Loans and Advances	16	966.79	969.84
(e) Other Current Assets	17	10.59	11.17
		<u>8,116.80</u>	<u>9,047.99</u>
Total		<u>13,526.09</u>	<u>14,067.53</u>

The accompanying notes are an integral part of the Financial Statements.

1

AS PER OUR REPORT OF EVEN DATE
FOR SUNDARLAL, DESAI & KANODIA,
CHARTERED ACCOUNTANTS

Sd/-
(M. B. DESAI)
PARTNER

Membership No. 33978

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

V. C. SARAF
DIRECTOR

Sd/-

R. R. SARAF
MANAGING DIRECTOR

PLACE : MUMBAI
DATED : 30th May, 2013

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2013

Particulars	Notes	For the year	For the year
		ended 31-03-2013	ended 31-03-2012
(₹ in Lacs)			
I. Revenue from Operations	18	17,743.00	19,731.68
Less: Excise Duty		1,550.39	1,577.96
		16,192.61	18,153.72
II Other Income	19	207.43	87.61
III Total Revenue (I + II)		16,400.04	18,241.33
IV <u>Expenses:</u>			
Cost of Materials Consumed	20	12,369.95	14,201.78
Purchase of Stock-in-Trade	21	343.81	207.81
Changes in Inventories of Finished Goods & Work-in-Progress	22	(301.34)	(497.56)
Employee Benefit Expenses	23	687.09	645.24
Other Expenses	24	2,101.03	2,417.88
Depreciation and Amortization Expenses		312.35	290.03
Finance Costs	25	637.26	799.37
V Total Expenses		16,150.15	18,064.55
VI Profit before Tax (III - IV)		249.89	176.78
VII <u>Tax Expense:</u>			
(a) Current Tax (MAT)		51.25	35.44
Less: MAT Credit Entitlement		50.01	25.32
Net Current Tax		1.24	10.12
(b) Deferred Tax		60.32	38.38
(c) Excess/ (Short) Provision of taxation of earlier years W/Back		—	(0.26)
(d) Excess depreciation provided in earlier years W/Back		—	—
VIII Profit/ (Loss) for the Period (V-VI)		188.33	128.02
IX Earning per Equity Share [Nominal Value of Share ₹ 10/-]			
(1) Basic		1.97	1.34
(2) Diluted		1.97	1.34

The accompanying notes are an integral part of the Financial Statements. 1

**AS PER OUR REPORT OF EVEN DATE
FOR SUNDARLAL, DESAI & KANODIA,
CHARTERED ACCOUNTANTS**

Sd/-
**(M. B. DESAI)
PARTNER**

Membership No. 33978

PLACE : MUMBAI
DATED : 30th May, 2013

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

**V. C. SARAF
DIRECTOR**

Sd/-

**R. R. SARAF
MANAGING DIRECTOR**

CASH FLOW STATEMENT FOR THE YEAR 2012-2013

	(₹ in Lacs)	
	2012-2013	2011-2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax and Extra-ordinary item	249.89	176.78
Adjustment for :		
Depreciation	312.34	290.03
Interest	637.26	799.37
Loss on sale of Fixed Assets	-	1.32
Profit on sale of Fixed Assets	(132.20)	-
Other non-operating Income	(25.63)	(23.90)
Operating profit before working capital charges	1,041.66	1,243.60
Adjustment for :		
Trade and Other Receivables	1,586.97	(1,549.90)
Inventories	(719.75)	802.15
Trade Payable and Provision	185.23	(49.18)
Cash Generated from Operations	2,094.11	446.67
Interest Paid	(637.26)	(799.37)
Direct Taxes Paid	(1.24)	(10.38)
Cash Flow before Extra-ordinary items	1,455.61	(363.08)
Extra-ordinary items	0.01	-
Net Cash from Operating Activities (A)	1,455.62	(363.08)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(678.24)	(1,017.25)
Sales of Fixed Assets	175.67	144.40
Sale of Investments	-	(1.05)
Other non-operating Income	25.63	23.90
Net Cash used in Investing Activities (B)	(476.94)	(850.00)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long Term Loan	(172.82)	-
Repayment of Short Term Loan	(794.81)	-
Proceeds from Long Term Loan	-	596.52
Proceeds from Short Term Loan	-	539.26
Increase in Long Term Loans & Advances	(67.32)	-
Decrease in Long Term Loans & Advances	-	67.12
Increase in Long Term Liabilities	-	(0.57)
Decrease in Long Term Liabilities	(7.71)	-
Net Cash used in Financial Activities (C)	(1,042.66)	1,203.47
Net Increase in Cash and Cash Equivalents (A+B+C)	(63.98)	(9.61)
Cash as at (Closing Balance)	174.66	238.64
Cash as at (Opening Balance)	238.64	248.25
Increase/Decrease in Cash Balance	63.98	9.61

NOTES:

- 1) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard "Cash Flow Statement."
- 2) Cash and Cash equivalents includes Cash and Bank balances.
- 3) Figures in bracket represents Cash Outflow.

**AS PER OUR REPORT OF EVEN DATE
FOR SUNDARLAL, DESAI & KANODIA,
CHARTERED ACCOUNTANTS**

Sd/-
(M. B. DESAI)
PARTNER

Membership No. 33978

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

V. C. SARAF
DIRECTOR

Sd/-

R. R. SARAF
MANAGING DIRECTOR

PLACE : MUMBAI
DATED : 30th May, 2013

NOTE – 1**1.1 SIGNIFICANT ACCOUNTING POLICIES****(i) BASIS OF ACCOUNTING**

The financial statements are prepared under historical cost convention on accrual basis and are in accordance with the requirements of the Companies Act, 1956, and comply with the Accounting Standards specified by the Institute of Chartered Accountants of India.

(ii) FIXED ASSETS, DEPRECIATION AND TREATMENT OF EXPENDITURE DURING CONSTRUCTION

- a) All Fixed Assets are valued at cost, which include expenditure incurred in acquisition and construction/installation and other related expenses & difference in foreign exchange liability related to assets acquired in foreign currency in accordance with Notification dated 31st March, 2009.
- b) Depreciation for the year has been provided on straight-line method at the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on additions to and deductions from assets during the year is provided on a pro-rata basis.
- c) Leasehold Land is amortised over the lease period.

(iii) INTANGIBLE ASSETS

Expenditure incurred for acquiring Software is stated at acquisition cost less accumulated amortisation. They are amortised over their useful life not exceeding five years.

(iv) ASSETS GIVEN ON OPERATING LEASE

- a) All assets given on operating lease are capitalized as Fixed Assets and shown separately in the Fixed Assets Schedule.
- b) Depreciation has been provided for on assets given on operating lease on straight-line method at the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on additions to and deductions from assets during the year is provided on pro-rata basis.

(v) VALUATION OF INVENTORY

- a) Raw Materials and General Stores are valued at cost or realisable value, whichever is less, excluding Cenvat and VAT credit, by FIFO method.
- b) Work in Process is valued at raw material cost plus estimated overheads or realisable value, whichever is less but excluding Cenvat and VAT credit.
- c) Finished Goods valued at cost including estimated overheads or net realisable value whichever is less. The value includes excise duty paid/payable on such goods.
- d) Scrap is valued at realisable value. This value includes excise duty payable thereon.

(vi) SALES

Sales are inclusive of Excise duty and Sales Tax and net of returns, claims, discount etc. Domestic Sale is recognised at the point of dispatch/billing & Exports Sale is recognised on the date of Bill of Lading.

(vii) EMPLOYEE RETIREMENT BENEFITS:**1) Post-Employment Employee Benefits****a) Defined Contribution Plans:**

The Company has Defined Contribution Plan for Post employment benefits in the form of Provident Fund for all employees which is administered by Regional Provident Fund Commissioner. Provident Fund is classified as defined contribution plan as the Company has no further obligation beyond making the contributions. The Company's contribution to Defined Contribution Plan is charged to the Statement of Profit and Loss as and when incurred.

b) Defined Benefit Plans:

Funded Plan: The Company has defined benefit plan for Post-employment benefit in the form of Gratuity for all employees which is administered through Life Insurance Corporation (LIC).

Liability for above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial

method used for measuring the liability is the Projected Unit Credit method.

2) Other Long-term Employee Benefit:

Liability for Compensated Absences (unutilized leave benefit) is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method in respect of past service.

3) Termination benefits are recognized as an expense as and when incurred.

4) The actuarial gains and losses arising during the year are recognized in the Statement of Profit and Loss of the year without resorting to any amortization.

(viii) SALES TAX INCENTIVE

Sales Tax deferred under the Incentive Scheme of Govt. of Maharashtra has been shown as unsecured Loans.

(ix) INVESTMENTS

Long Term Investments are stated at cost or fair value, whichever is less, temporary fall in market value, if any, is not provided for. Current Investments are carried at lower of cost and fair value.

(x) FOREIGN CURRENCY TRANSACTIONS

a) Foreign currency transactions are recorded at the exchange rate prevailing at the time of the transaction.

b) Foreign currency transactions remaining unsettled at the year end and not covered by forward contract are translated at the exchange rate prevailing at the year end. Premium/discount on forward contracts are amortized over the period of the contract.

c) The difference in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Statement of Profit and Loss except, as referred in para (d) below.

d) Company has exercised option as per Notification dated 31st March, 2009 to account for gain/loss in foreign exchange liability for fixed assets acquired in foreign currency.

(xi) BORROWING COSTS

Borrowing costs that are attributable to the acquisition of fixed assets are capitalised for the period until the asset is ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(xii) TAXES

Tax expense for the year comprises of current income tax & wealth tax and deferred income tax. Current income tax provision has been determined on the basis of reliefs, deductions available under the Income Tax Act. Deferred tax is recognized for all timing differences, subject to the consideration of prudence, applying the tax rates and tax laws which have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets is recognised only to the extent that there is virtual certainty that the assets will be realised in future.

(xiii) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statements. Contingent Liabilities are disclosed separately.

(xiv) IMPAIRMENT

Impairment of assets are assessed at each Balance Sheet date and loss is recognized whenever the recoverable amount of an asset is less than its carrying amount.

(xv) EXCISE DUTY

Excise Duty payable on products is accounted for at the time of dispatch of goods from the factory but is accrued for finished goods stocks held at the year end.

Excise Duty related to the difference between the closing stock and opening stock of finished goods has been recognized separately in the Statement of Profit and Loss under Note of Other Expenses under "Manufacturing Expenses".

Current Accounting Year Ended 31.03.2013 (₹ in Lacs)	Previous Accounting Year ended 31.03.2012 (₹ in Lacs)
---	--

1.2 Contingent Liabilities not provided for :

a) Bank Guarantees given by bankers on behalf of the Company	722.62	728.49
b) Guarantee given by the Company to Bankers on behalf of associate Company	665.00	665.00
c) Bills Discounted	562.70	312.60
d) Claim of Collector	353.47	353.47
e) Central Excise disputed in appeal	278.18	70.94
f) Sales Tax disputed in appeal	1.96	-
g) In respect of Custom Duty	33.01	33.01
h) Income Tax disputed in appeal	0.19	-

1.3 Rent receivable in respect of assets given on operating lease in next one year is ₹ 3.00 Lacs (P.Y. ₹ 23.23 Lacs), beyond one year to five years ₹ 15.00 Lacs (P.Y. ₹ 82.94 Lacs) and beyond five years ₹ 0.25 Lacs (P.Y. ₹ 0.25 Lacs).

1.4 The significant component and classification of deferred tax assets and liabilities on account of timing differences are :-

As At 31-03-2013 (₹ in Lacs)	As At 31-03-2012 (₹ in Lacs)
---	---

Deferred Tax Assets:

Provision for Retirement Benefits	10.83	12.02
Business Loss	91.27	71.25
Long Term Capital Loss	17.24	41.14
	119.34	124.41

Deferred Tax Liability:

Depreciation	901.40	846.15
Net deferred tax liability on account of timing difference	782.06	721.74

1.5 Segment Reporting:

The Company operates in two segments namely (i) Manufacturing of S.S. Pipes & Tubes and (ii) Wind Power Generation. Since revenue, result and assets of Wind Power Generation are below the prescribed criteria, same is not treated as reportable segment.

1.6 Earning per Share

2012-2013 2011-2012

Reconciliation of basic and diluted shares used in computing earnings per share

a) Number of shares considered as basic weighted average shares outstanding	95,82,400	95,82,400
Number of shares considered as basic weighted average shares outstanding for computing basic earning per share	95,82,400	95,82,400
Number of shares considered as weighted average shares outstanding for computing diluted earning per share .	95,82,400	95,82,400

Computation of basic and diluted earning per share

b) Net profit after tax attributable to equity share-holders (₹ in Lacs)	188.33	128.02
c) Basic earnings per equity share of ₹10/- each (in ₹)	1.97	1.34
d) Diluted earnings per equity share of ₹10/- each (in ₹)	1.97	1.34

1.7 Related Parties disclosures:

i) (a) Key Management Personnel:

Shri. V. C. Saraf	-	Chairman
Shri. Rajendra C. Saraf	-	Director
Shri. Rishabh R. Saraf	-	Managing Director

(b) Associates:

Remi Process Plant and Machinery Ltd., Remi Elektrotechnik Ltd., Calplus Trading Pvt. Ltd., Magnificent Trading Pvt. Ltd. & Aura Realfinvest Pvt. Ltd.

(c) Relatives of key management personnel and other related parties

Rajendra Electrical Motor Industries, Shri Ritvik V. Saraf

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

ii) Transactions carried out with related parties referred in 1 above, in ordinary course of business:

(₹ in Lacs)

Nature of Transactions (Excluding reimbursements)	Related Parties		
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Purchases			
Fixed Assets	—	47.55	—
	(—)	(73.20)	(—)
Goods & Materials	—	1,020.50	—
	(—)	(310.61)	(—)
Sales			
Goods and Materials	—	349.06	—
	(—)	(152.83)	(—)
Expenses			
Rent and other service charges	0.60	22.48	0.60
	(0.60)	(21.80)	(0.60)
Royalty Charges	—	—	15.77
	(—)	(—)	(17.61)
Remuneration	30.32	—	—
	(31.55)	(—)	(—)
Repairs & Maintenance	—	1.00	—
	(—)	(3.36)	(—)
General Expenses	—	—	—
	(—)	(—)	(—)
Interest paid	—	28.99	—
	(—)	(50.25)	(—)
Directors' Commission	0.32	—	—
	(0.80)	(—)	(—)
Directors' Fees	0.21	—	0.09
	(0.14)	(—)	(0.04)
Income			
Rent and other service charges	—	2.40	—
	(—)	(2.40)	(—)
Testing Charges	—	1.19	—
	(—)	(1.16)	(—)
Job Work Charges	—	2.36	—
	(—)	(3.46)	(—)
Finance			
Loans and Advances taken	—	1,237.00	—
	(—)	(992.37)	(—)
Balances as at 31st March 2013			
Payable	—	0.64	0.27
	(—)	(5.31)	(0.36)
Receivable	—	107.01	1.25
	(—)	(106.59)	(1.25)
Outstanding Loans	—	—	—
	(—)	(153.63)	(—)

Figures in bracket represent previous year figures.

1.8 Disclosures in accordance with Revised AS – 15 on “Employee Benefits”:

(A) Defined Contribution Plans:

The Company has recognized the following amounts in the Profit and Loss Account for the year:

Fund Contribution to Employees' Provident	For the year ended March 31, 2013
	39.80
	(38.15)
Total	39.80
	(38.15)

(B) **Defined Benefits Plans:**

(i) **Changes in the Present Value of Obligation**

For the year ended March 31, 2013

	Gratuity	Leave Encashment	Total
(a) Present Value of Obligation as at April 1, 2012	118.58	37.05	155.63
	(139.64)	(30.15)	(169.80)
(b) Interest Cost	9.49	2.96	12.45
	(11.17)	(2.41)	(13.58)
(c) Past Service Cost	—	—	—
	(—)	(—)	(—)
(d) Current Service Cost	9.86	2.97	12.83
	(9.00)	(2.99)	(11.99)
(e) Benefits Paid	(16.86)	(11.22)	(28.08)
	((9.29))	((3.34))	((12.63))
(f) Actuarial (Gain)/Loss	1.89	7.79	9.68
	((31.95))	((4.84))	((27.11))
(g) Present Value of Obligation as at March 31, 2013	122.96	39.55	162.51
	(118.58)	(37.05)	(155.63)

(ii) **Changes in the Fair value of Plan Assets:**

For the year ended March 31, 2013

	Gratuity
(a) Present Value of Plan Assets as at April 1, 2012	141.24
	(112.02)
(b) Expected Return on Plan Assets	12.08
	(11.45)
(c) Actuarial (Gain)/Loss	—
	(—)
(d) Employers' Contributions	0.36
	(27.06)
(e) Employees' Contributions	—
	(—)
(f) Benefits Paid	(16.86)
	((9.29))
(g) Fair Value of Plan Assets as at March 31, 2013	136.82
	(141.24)

(iii) **Amount recognized in the Balance Sheet including a reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets:-**

For the year ended March 31, 2013

	Gratuity	Leave Encashment	Total
(a) Present Value of Funded Obligation as at March 31, 2013	122.96	—	122.96
	(118.58)	(—)	(118.58)
(b) Fair Value of Plan Assets as at March 31, 2013	136.82	—	136.82
	(141.24)	(—)	(141.24)
(c) Present Value of Unfunded Obligation as at March 31, 2013	(13.86)	39.55	25.69
	((22.66))	(37.05)	(14.39)
(d) Net Liability/(Asset) recognized in the Balance Sheet	(13.86)	39.55	25.69
	((22.66))	(37.05)	(14.39)

(iv) **Expenses recognized in the Profit and Loss Account**

For the year ended March 31, 2013

		Gratuity	Leave Encashment	Total
(a)	Current Service Cost	9.86 (9.00)	2.97 (2.99)	12.83 (11.99)
(b)	Past Service Cost	— (—)	— (—)	— (—)
(c)	Interest Cost	9.49 (11.17)	2.96 (2.41)	12.45 (13.58)
(d)	Expected Return on Plan Assets	(12.08) ((11.45))	— (—)	(12.08) ((11.45))
(e)	Net actuarial (Gain)/Loss	1.89 ((31.95))	7.79 ((4.84))	9.68 ((27.11))
(f)	Employees' Contribution	— (—)	— (—)	— (—)
(g)	Total Expenses recognized in the Profit and Loss Account	9.16 ((23.22))	13.72 (10.25)	22.88 ((12.98))

(v) **Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at March 31, 2013**

		Percentage
(a)	Government of India Securities	— (—)
(b)	Corporate Bonds	— (—)
(c)	Special Deposit Scheme	— (—)
(d)	Equity Shares of Listed Companies	— (—)
(e)	Property	— (—)
(f)	Insurer Managed Funds	100% (100%)
(g)	Others	— (—)

(vi) The overall expected rate of return on assets is based on the expectation of the average long-term rate of return expected on investments of the Fund during the estimated term of the obligations.

(vii) The Actual Return on Plan Assets is as follows:-

Particulars	(₹ in Lacs)
Actual return on plan assets	12.08 (11.45)

(viii) Following are the Principal Actuarial Assumptions used as at the balance sheet date:-

Sr. No.	Particulars	Gratuity	Leave Encashment
(a)	Discount Rate	8% (8%)	8% (8%)
(b)	Expected Rate of Return on Plan Assets	9.25% (9.25%)	— (—)
(c)	Salary Escalation Rate	6% (6%)	6% (6%)

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

Remi Edelstahl Tubulars Limited

1.9 Estimated amount of contracts remaining to be executed on Capital Account and not provided for ₹432.02 Lacs (P.Y. ₹ 347.14 Lacs)

1.10 Value of Imports calculated on C.I.F. basis in respect of:

i) Raw Material	4,950.68	9,273.38
ii) Stores & Spare Parts	30.83	25.03
ii) Fixed Assets	165.63	71.67

1.11 Value of Raw Materials and Stores & Spare Parts consumed & percentage of total consumption:

	Value (₹ in Lacs)	% of total consumption	Value (₹ in Lacs)	% of total Consumption
a) Raw Materials:				
i) Imported	5,063.76	41.39	10,850.49	77.19
ii) Indigenous	7,171.93	58.61	3,206.02	22.81
	12,235.69	100.00	14,056.51	100.00
b) Stores and Spare Parts:				
i) Imported	40.58	10.84	31.07	8.05
ii) Indigenous	333.72	89.16	354.76	91.95
Total	374.30	100.00	385.83	100.00

1.12 Expenditure in Foreign Currency:

i) Travelling expenses	11.56	11.63
ii) Interest & Bank Charges	0.26	6.23
iii) Other Expenses	4.94	0.36
	16.76	18.22

1.13 Earning in Foreign Exchange:

Export of S.S. Pipes (at F.O.B. Value)	2,678.95	2,212.76
--	----------	----------

(Including value of Deemed Exports & Supplies to SEZ & EOU of ₹ 1,822.14 Lacs; P.Y. ₹ 1,603.80 Lacs)

1.14 Payments to Micro, Small and Medium Enterprises are made in accordance with the agreed credit terms and to the extent ascertained from available information, there is no overdue payable to MSME units beyond the period specified in Micro, Small and Medium Enterprises Development Act, 2006.

1.15 Previous year figures are regrouped/rearranged and reclassified whenever necessary to confirm to current year's presentation.

Particulars	As at 31-3-2013	As at 31-3-2012
	(₹ in Lacs)	

NOTE - 2

SHARE CAPITAL

AUTHORISED:

1,00,00,000 (1,00,00,000) Equity Shares of ₹ 10/- each	1,000.00	1,000.00
--	----------	----------

ISSUED, SUBSCRIBED AND FULLY PAID UP:

95,82,400 (95,82,400) Equity Shares of ₹ 10/- each	958.24	958.24
--	--------	--------

(of these 49,39,700 equity shares were allotted as bonus shares by way of Capitalisation of reserves)

TOTAL	958.24	958.24
--------------	--------	--------

a) **Terms/ Rights Attached to Equity Shares:**

The company has only one class of equity shares having par value of Rs. 10/- Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend, if any, in Indian Rupees.

b) In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) **Details of Shareholders Holding more than 5% Shares of the Company:**

Sr. No.	Name of the Shareholder	No. of shares as on 31-03-2013	No. of shares as on 31-03-2012
1	Vandana V. Saraf	485972	485972
2	Vishwambharlal Chiranjilal HUF	501264	501264
3	Minakshi R. Saraf	552580	552580
4	Rajendra Finance Pvt. Ltd.	625000	625000
5	Remi Finance & Investment Pvt. Ltd.	625000	625000
6	Remi Securities Ltd.	1209390	1209390
7	Hanuman Forging & Engineering Pvt. Ltd.	1600000	1000000
8	Hanuman Freight & Carriers Pvt. Ltd.	-	1000000

d) There is no change in share capital during the year.

NOTE - 3

RESERVES AND SURPLUS

Particulars	AS AT	AS AT
	31.03.2013	31.03.2012
(₹ in Lacs)		
a) Capital Reserve :	35.01	35.01
b) General Reserve:	-	-
Opening Balance	2,227.19	2,177.19
Add: Transferred from surplus balance in statement of profit & loss	50.00	50.00
	<u>2,277.19</u>	<u>2,227.19</u>
c) Surplus:		
Opening Balance	1,257.79	1,179.77
Add: Profit for the period	188.33	128.02
Less: Appropriations:	-	-
Transferred to General reserve	50.00	50.00
Net surplus in the statement of profit & loss	<u>1,396.12</u>	<u>1,257.79</u>
	<u>3,708.32</u>	<u>3,519.99</u>

NOTE - 4

LONG TERM BORROWING

Term Loans:

- Secured Loans

From State Bank of India:

a) Rupee Term Loan - I	118.63	242.59
[Secured by equitable mortgage of land & building at Tarapur, land at Dhule for Wind Power Project and hypothecation of Plant & Machinery and extension of hypothecation charge on the entire current assets of the Company, consisting of Raw Materials, Stock-in-Process, Finished Goods, Stores & Spares, other Consumables, Book Debts, both Present & Future. The term loan is also guaranteed by two of the Directors.) (Repayable in monthly installment of ₹ 10,33,000/- each. Total number of installments -60)		
b) Rupee Term Loan - II	531.78	455.01
[Secured by equitable mortgage of land & building at Tarapur, land at Dhule for Wind Power Project and hypothecation of Plant & Machinery and extension of hypothecation charge on the entire current assets of the Company consisting of Raw Materials, Stock-in-Process, Finished Goods, Stores & Spares, other Consumables, Book Debts, both Present & Future. The term loan is also guaranteed by two of the Directors.) (Repayable in monthly installment of ₹ 15,00,000/- each. Total number of installments -60)		

Remi Edelstahl Tubulars Limited

Particulars	AS AT 31.03.2013	ASAT 31.03.2012
	(₹ in Lacs)	
c) Vehicle Loan (Secured against hypothecation of the Vehicle purchased from such loans repayable in 36 EMIS of ₹63,400/- each)	1.87	8.90
	<u>652.28</u>	<u>706.50</u>
Unsecured Loans		
Inter Corporate Loans	1,074.38	562.77
Deferred Sales Tax Liabilities	757.56	843.20
Inter Corporate Loans from Related Parties	-	544.57
	<u>1,831.94</u>	<u>1,950.54</u>
	<u>2,484.22</u>	<u>2,657.04</u>

NOTE - 5

Long Term Liabilities

Deposit Received	40.00	49.65
Provision For Leave Encashment	35.38	33.43
	<u>75.38</u>	<u>83.08</u>

NOTE - 6

SHORT TERM BORROWING

Loans Repayable on Demand:

Secured Loans:

From State Bank of India:

Cash Credit Facility

2,691.67 3,486.48

[Secured by first hypothecation charge on entire current assets consisting of raw material, semi finished, finished goods and receivables. Extension of first charge on entire fixed assets of the Company consisting of land, building, plant & machinery situated at Tarapur, Distt. Thane and at Brahmanwel, Distt. Dhule. The Loans are also guaranteed by two of the Directors.]

2,691.67 3,486.48

NOTE - 7

TRADE PAYABLES (Including ₹20.89 Lacs P.Y. ₹ 15.15 Lacs Payable to MSME Units)	1,774.31	1,402.22
	<u>1,774.31</u>	<u>1,402.22</u>

NOTE - 8

OTHER CURRENT LIABILITIES

Interest accrued but not Due on Borrowings	11.57	11.67
Income Received in Advance	6.16	4.56
Unpaid Dividend	5.00	6.53
Current Maturities of long term debts	396.62	381.22

Other Payables:

- Advance from Customers	79.66	50.27
- TDS Payable	42.08	43.08
- Sales Tax Payable	-	16.22
- Other Statutory Dues Payable - PF etc.	3.33	4.43
- Other Creditors	21.10	170.72
- Excise Duty Payable	70.79	88.70
- Other Liabilities	407.36	457.72
	<u>624.32</u>	<u>831.14</u>
	<u>1,043.67</u>	<u>1,235.12</u>

NOTE - 9

SHORT TERM PROVISION

For Employee Benefit:

Provision For Leave Encashment	4.18	3.62
Taxation (Net)	4.04	-
	<u>8.22</u>	<u>3.62</u>

NOTE 10

(₹ in Lacs)

Particular	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As on 1/04/2012	Addition/ Adjustment	Deduction/ Adjustment	As on 31/03/13	Upto 31/03/12 Year	For the Year	Deduction	Upto 31/03/13	As on 31/03/13	As on 31/03/12
(a) TANGIBLE ASSETS:										
Land	53.00	–	–	53.00	12.04	0.56	–	12.60	40.40	40.96
Leasehold Land										
– Wind Mill	47.20	–	–	47.20	13.87	1.89	–	15.76	31.44	33.33
Factory Building	754.40	–	–	754.40	348.47	25.21	–	373.68	380.72	405.94
Plant And Machinery	3,846.35	1,202.78	–	5,049.13	1,216.14	180.82	–	1,396.96	3,652.17	2,630.21
Plant And Machinery										
– Wind Mill	1,327.47	–	–	1,327.47	464.86	70.21	–	535.07	792.40	862.60
Dies & Moulds	162.19	4.02	–	166.21	81.69	5.94	–	87.63	78.58	80.50
Electrical Installation	175.90	1.59	–	177.49	108.38	7.18	–	115.56	61.93	67.53
Office Equipments	16.49	0.09	–	16.58	8.61	0.55	–	9.16	7.42	7.87
Air Conditioners	20.06	2.43	–	22.49	6.96	0.98	–	7.94	14.55	13.10
Computers	44.08	1.96	–	46.04	36.01	2.61	–	38.62	7.42	8.07
Furniture & Fixtures	49.31	7.76	–	57.07	29.11	2.64	–	31.75	25.32	20.20
Vehicles	94.22	–	7.18	87.04	30.29	8.53	4.08	34.74	52.30	63.93
Leased Assets :										
Office Premises	47.29	–	47.29	–	6.36	0.56	6.92	–	–	40.94
Plant & Machinery	28.84	–	–	28.84	10.27	1.37	–	11.64	17.20	18.57
Total (a)	6,666.80	1,220.63	54.47	7,832.96	2,373.06	309.05	11.00	2,671.11	5,161.85	4,293.75
Capital WIP									–	542.38
(b) INTANGIBLE ASSETS:										
Computer Software	25.18	–	–	25.18	16.05	3.30	–	19.35	5.83	9.14
Total (b)	25.18	–	–	25.18	16.05	3.30	–	19.35	5.83	9.14
Grand Total (a+b)	6,691.98	1,220.63	54.47	7,858.14	2,389.11	312.35	11.00	2,690.46	5,167.68	4,302.89
Previous Year Total	6,319.41	544.02	171.46	6,691.98	2,124.10	290.07	25.07	2,389.10	4,302.89	4,195.30

Note: Deduction / Adjustment includes ₹ NIL (P.Y. ₹ 70,874/-) on account of foreign exchange gain for the current year arising on foreign currency loan availed for purchase of Fixed Assets.

PARTICULARS	As at 31-3-2013	As at 31-3-2012
	(₹ in Lacs)	

NOTE - 11

NON -CURRENT INVESTMENTS - Unquoted & Trade Investment (valued at cost unless stated otherwise):

Equity Shares :

Tarapur Environment Protection Society.
[5816 (5816) shares of ₹100 each]

5.82 5.82

5.82 5.82

(Aggregate amount of Unquoted investment)

5.82 5.82

NOTE - 12

LONG -TERM LOANS AND ADVANCES

(Unsecured and considered good)

Capital Advances

88.27 40.52

Security Deposits

147.52 127.93

235.79 168.45

NOTE - 13

INVENTORIES [Refer note 1 (v)]

(As per Inventory taken, valued and certified by management)

(a) Raw Materials (including goods in transit ₹ 346.55 Lacs; P.Y. ₹ 282.61 Lacs) **959.60** 540.06

(b) Work-In -Process **2,617.75** 2,153.62

(c) Finished goods **643.50** 806.30

(d) Stores and Spares (including goods in transit ₹ 1.19 Lacs; P.Y. ₹ 0.64 Lacs) **113.50** 114.62

TOTAL **4,334.35** 3,614.60

Remi Edelstahl Tubulars Limited

PARTICULARS	As at 31-3-2013	As at 31-3-2012
	(₹ in Lacs)	

NOTE - 14

TRADE RECEIVABLE

(Unsecured and considered good)

Outstanding Over Six Months from due date	173.59	61.76
Others	2,456.82	4,151.98
TOTAL	2,630.41	4,213.74

NOTE - 15

CASH AND BANK BALANCES:

CASH AND CASH EQUIVALENTS:

(a) Balance with Banks:-		
On current account	8.36	2.11
(b) Cash on Hand	1.97	2.00
	10.33	4.11

OTHER BANK BALANCES:

(a) Balance in Unpaid Dividend Account	5.00	6.53
(b) Fixed Deposits with maturity of more than 3 months and less than 12 months (Pledged with bank as Margin against B/Gs' & L/Cs')	-	70.00
(c) Fixed Deposits with maturity of more than 12 months (Pledged with bank as margin against B/Gs' & L/Cs')	159.33	158.00
	164.33	234.53
TOTAL	174.66	238.64

NOTE - 16

SHORT TERM LOANS AND ADVANCES

(Unsecured and considered good)

Others

(a) Advances recoverable in cash or in kind for value to be received	115.40	63.53
(b) MAT Credit Entitlement	96.79	46.78
(c) Payment of Advance Income Tax, TDS and FBT (Net)	-	10.68
(d) Balances with Central Excise and Cenvat Refundable	696.09	790.95
(e) Prepaid Expenses	52.47	49.50
(f) Advance to Staff	6.04	8.40
	966.79	969.84

NOTE - 17

OTHER CURRENT ASSETS

Interest accrued on fixed deposits	10.59	11.17
TOTAL	10.59	11.17

NOTE - 18

Revenue from Operations:

(a) Sale of Products:		
Local Sales	16,059.53	18,224.83
Export Sales	874.46	607.22
Trading Sales	349.06	199.23
Income from Wind Power	176.52	166.60
	17,459.57	19,197.88
(b) Other Operating Revenues:		
Sale of scrap	277.10	491.22
Export benefits	-	12.83
Labour & Service Charges	6.33	29.75
	283.43	533.80
Revenue from operations	17,743.00	19,731.68
Product wise details		
1. Sale of S.S.Pipes & Tubes	16,933.99	18,984.83
2. Sale of Wind Power	176.52	166.60
3. Others	349.06	46.45
	17,459.57	19,197.88

PARTICULARS	As at	As at
	31-3-2013	31-3-2012
(₹ in Lacs)		

NOTE - 19

Other Income

(a) Lease Rent of Machinery	9.45	9.45
Excess Provision of Gratuity Liability W/Back	-	22.66
Excess Provision of Leave Salary & Bonus W/Back	-	0.54
Sundry Credit Balance W/back	36.61	19.84
Miscellaneous Income	3.54	11.22
(b) Other Non - Operating Income		
Rent Received	25.63	23.90
Long Term Gain on Sales of Fixed Assets (Net)	132.20	-
	207.43	87.61

NOTE - 20

(a) **Cost of Materials consumed**

Inventory at the beginning of the year	540.06	1,844.52
Add: Purchase	12,789.49	12,897.32
	13,329.55	14,741.84
Less: Inventory at the end of the year	959.60	540.06
Cost of Materials Consumed	12,369.95	14,201.78

Product wise details

1. Consumption of S.S. goods	12,235.70	14,056.51
2. Others	134.25	145.27
	12,369.95	14,201.78

NOTE - 21

Details of purchase of traded goods

1. Stainless Steel goods	343.81	207.81
--------------------------	--------	--------

NOTE - 22

(a) **(Increase) / decrease in inventories**
Inventories at the end of the year

Work-in-progress	2,617.76	2,153.62
Finished goods	643.50	806.30
	3,261.26	2,959.92

(b) **Inventories at the beginning of the year**

Work-in-progress	2,153.62	2,125.76
Finished goods	806.30	336.60
	2,959.92	2,462.36

Net (Increase) **(301.34)** **(497.56)**

NOTE - 23

Employee Benefit expenses:

Salaries, wages and bonus etc.	627.47	596.02
Contribution to provident & Gratuity funds	48.96	38.15
Staff welfare expenses	10.66	11.07
	687.09	645.24

NOTE - 24

Other Expenses:

Manufacturing Expenses :

Consumption of stores and spares parts	374.30	385.83
Power and fuel	345.26	316.71
Labour Charges	254.59	238.19
Royalty	15.77	17.61
Excise duty on increase / decrease in Closing Stock of Finished Goods	(17.91)	57.88

Repairs and maintenance:

Building	26.39	31.38
Machinery	82.07	82.78
Others	21.27	23.04
Other Manufacturing Expenses	68.25	46.24

Remi Edelstahl Tubulars Limited

PARTICULARS	As at 31-3-2013	As at 31-3-2012
	(₹ in Lacs)	
Adminstrative,Selling & Other Expenses :		
Rent	27.92	24.04
Insurance	18.58	17.49
Property Tax and Lease Rent	2.59	3.56
Rates and taxes	6.98	4.17
Travelling & Conveyance	49.82	47.54
Director sitting fees	0.70	0.52
Director Commission	0.32	0.80
Legal and professional fees	37.47	23.09
Loss on sale of fixed assets (Net)	-	1.32
Brokerage & Commission	21.00	25.54
Late Delivery Charges	124.14	100.89
Bad Debts Written off	8.46	216.28
Sales Tax & VAT	418.81	511.72
Loss on Foreign Currency translation	47.15	65.67
Payment to auditors:		
(a) As auditors:		
Audit fee	2.75	2.75
(b) In other capacity:		
Certification fees	1.02	2.02
Freight and Forwarding Charges	68.58	57.95
Licence Fee & Service Tax	1.96	3.98
Miscellaneous Expenses	92.79	108.89
Total	2,101.03	2,417.88
NOTE - 25		
Finance Costs		
Interest expenses	601.09	737.48
Bank Charges & Commission	97.39	102.12
Exchange difference to the extent considered as an adjustment to borrowing costs	-	41.49
Less : Interest Income	61.22	81.72
TOTAL	637.26	799.37

Signature to Notes 1 to 25

**AS PER OUR REPORT OF EVEN DATE
FOR SUNDARLAL, DESAI & KANODIA,
CHARTERED ACCOUNTANTS**

Sd/-
(M. B. DESAI)
PARTNER

Membership No. 33978

PLACE : MUMBAI
DATED : 30th May, 2013

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

V. C. SARAF
DIRECTOR

Sd/-

R. R. SARAF
MANAGING DIRECTOR

REMI EDELSTAHL TUBULARS LIMITED

Regd. Office : Remi House, Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai - 400 063.

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

Full Name of Member (in BLOCK LETTERS).....

Member's Folio Number

Client ID : DP ID :

Name of proxy (in BLOCK LETTERS)

(To be filled in if the Proxy attends instead of the Member/s

No. of Shares Held

I hereby record my presence at the **42nd ANNUAL GENERAL MEETING** held at Remi House, Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai - 400 063, on **Monday**, the **30th September, 2013**, at 11.30 a.m.

Note : To be signed at the time of handing over this slip.

Member's / Proxy's Signature

REMI EDELSTAHL TUBULARS LIMITED

Regd. Office : Remi House, Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai - 400 063.

PROXY FORM

Member's Folio Number

Client ID : DP ID :

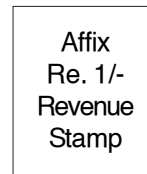
I/Weof

being a Member/members of the above-named Company, hereby appoint of as my / our proxy to attend and vote for me/us on my/our behalf at the **42nd ANNUAL GENERAL MEETING** to be held at its Regd. Office: Remi House, Plot No.11, Cama Industrial Estate, Goregaon (E), Mumbai-400 063, on **Monday**, the **30th September, 2013**, at 11.30 a.m.

Signed

Date :

Notes :



1. The instrument of Proxy shall be deposited at the Regd. Office of the Company not less than 48 hours before the time fixed for the holding of the Meeting.
2. The Form should be signed across the stamp as per specimen signatures registered with the Company.

BOOK – POST

If undelivered, please return to:

REMI EDELSTAHL TUBULARS LIMITED

Remi House, Plot No.11, Cama Industrial Estate,
Goregaon (East), Mumbai – 400 063